

Subj: PRELIMINARY INQUIRY (PI) INTO THE POSSIBLE COMPROMISE OF  
CLASSIFIED MATERIAL AT THE FREMONT BUILDING

30 Apr 15

From: (b) (6) U.S. Navy  
To: Deputy, Department of the Navy, Assistant for Administration

Via: Special Security Officer, Department of the Navy, Assistant for Administration

Subj: FINDINGS RELATED TO THE PRELIMINARY INQUIRY (PI) OF THE COMPROMISE OF  
CLASSIFIED INFORMATION THAT OCCURRED AT DEPARTMENT OF THE  
NAVY/ASSISTANT FOR ADMINISTRATION, DIRECTIVES AND RECORDS  
MANAGEMENT DIVISION'S DECLASSIFICATION PROGRAM FROM 12 MAY TO  
04 AUGUST 2014.

Ref: (a) DoD 5220.22M  
(b) SECNAV M-5510.30

1. Through the review of the documents provided, face-to-face and telephone interviews, and research into the guidance provided in reference (a) and (b) it has been determined that a compromise of classified information did occur.
2. The compromise occurred as it relates to having an uncleared, unverified, and/or undocumented personnel accessing and/or handling classified material. In violation was Section 5-502 of reference (a) which authorizes access of cleared subcontractors to classified materials in the performance of duties assigned on behalf of the Prime Contractor. At issue here is the fact that prior to hiring (b) (6) a subcontract employee of Excalibur, the Prime Contractor, AECOM did not verify her clearance. It is our understanding that the (b) (6) (b) (6) had access to Joint Personnel Adjudication System (JPAS), but failed to use it at this time.
3. Separately, a valid or adjudicated clearance was not documented or verified by AECOM or the (b) (6) prior to (b) (6) attending training, gaining access to restricted facilities, or beginning the execution of her duties. In violation was Section 7-101 of reference (a), which states that the Prime Contractor must determine the clearance status of prospective subcontractors and ensure that all prospective subcontractors have the appropriate clearance. At issue here is the fact, that according to the documents provided, it was not until August 1, 2014 that AECOM pursued the use of JPAS and subsequently determined that no record of a TOP SECRET clearance existed for (b) (6).
4. Additionally, four separate visitor access request(s) or visitor request(s) were initiated for (b) (6). One was submitted to the National Archives and Records Administration (NARA) for access, another to access the Fremont facility for training, another to attend training provided by the U.S. Department of Energy, and yet another request was submitted to the NARA so that (b) (6) could attend NSA equity training. What is called into question at this time is that there are no references to (b) (6) clearance being verified by JPAS prior to accessing these facilities. In violation was Section 2-200 of reference (a) which governs personnel security, the process of submitting clearances, the access that a clearance provides and the requirements for adjudication.

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At issue here is the fact that validation of a clearance by any of the above agencies Special Security Officer (SSO), Facility Security Officer (FSO), or anyone with access to JPAS.

5. A misunderstanding of and/or misrepresentation of the type of security clearance held by (b) (6) also occurred. As it relates to the memorandum from NGA, which was a notification of Security Clearance Eligibility (with a warning), it was assumed that a final, adjudicated clearance had been processed for (b) (6). However, there are several concerns here that violate Section 2-201 of reference (a), which indicate that only an adjudicated Special Security Background Investigation (SSBI) can grant a person a TOP SECRET clearance and that only U.S. citizens are permitted to obtain clearances. At issue here and reported in documents provided is that (b) (6) claims dual citizenship for the U.S. and Venezuela, has foreign connections outside of the U.S. to whom she might be loyal to and hold passports for the U.S., Venezuela, and Italy. The aforementioned issues also conflict with guidance found in Appendix F and G of reference (b), regarding citizenship requirements and adjudication guidelines, respectively.

6. Aside from the violations identified above, there are several other areas of concern regarding this incident. The first being, though it was stated in the contract at all personnel working under said contract would need at least a TOP SECRET clearance this was not verified in advance. Second, would be that there were several opportunities to access JPAS and several people would have had access to JPAS that failed to utilize this tool until it was too late. Third, there seems to be a lack of communication between organizations about roles, responsibilities, and procedures. Next there seems to be a lack of full understanding of security requirements for access of classified material and the safeguarding of the same material. And lastly, there seems to be the undeterminable possibility that collateral documents could or could have existed at this facility during the time of this incident.

7. Provided are the following recommendations for safeguarding classified information and for preventing future incidents: a) Ensure that all parties involved have a mechanism in place to verify clearances prior to hiring, b) Coordinate between agencies the passing of clearance information via approved means, c) Implement standard operating procedures that detail roles, responsibilities, and proper reporting of any security incidents in a timely manner, d) Provide access, where possible, to JPAS and conduct/document bi-annual training on its proper usage, e) Conduct an audit of current standard operating procedures to ensure any identifiable gaps are mitigated, and f) Determine the probability of collateral material being processed at the declassification facility and implement safeguards involving its handling.

(b) (6)

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